

Division of Medicaid and Children's Health

July 23, 2003

Refer to:
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Stephen B Curtiss, Director
Nebraska Dept of Health & Human Services
Finance & Support
301 Centennial Mall Street, 5th Floor
PO Box 95026
Lincoln, Nebraska 68509

Dear Mr. Curtiss:

I am pleased to inform you that the Center for Medicare & Medicaid Services (CMS) is approving Nebraska's request to renew the Nebraska Health Connection Waiver program authorized under Sections 1915(b)(1), (2), (3), and (4) of the Social Security Act (the Act). This approval provides for the waiver of Sections 1902(a)(10)(B), comparability of services, and 1902(a)(23), freedom of choice, of the Act in order to provide managed health care to Temporary Assistance to Needy Families (TANF), TANF-related, Supplemental Security Income (SSI), SSI-related and State ward recipients Statewide for the two-year period from July 1, 2003 to June 30, 2005.

The decision to approve this waiver renewal is based on evidence submitted to CMS showing that the State's waiver program is consistent with the purposes of the Medicaid program, has met the applicable statutory and regulatory requirements for access to care and quality of services, and has been and will continue to be a cost-effective means of providing mental health and substance abuse services to Nebraska's Medicaid recipients.

Please note that waiver approval is contingent on the following conditions:

1. The State will submit all future amendments to rates and service packages to CMS for approval in advance of implementation. As in the past, for the addition of a region, rebid of a contract, or modification affecting services, capitation rates or entities contracting with the State of Nebraska, the waiver and contracts will need to be amended to reflect changes in quality, access, and cost-effectiveness.
2. The State must be in compliance with all applicable provisions of the Social Security Act, as amended by the BBA by August 13, 2003.

3. If you wish to renew this waiver program at the end of this two-year term, a renewal application must be submitted by April 30, 2005.
4. Clients eligible for Medicaid through the Developmentally Disabled or Sub-Adoption programs or clients that are dually eligible for Medicaid and Medicare will be included in the waiver through a separate amendment should the State decide to make such populations mandatory for managed care.
5. The State shall not claim federal financial participation for room and board charges related to the provision of the 1915(b)(3) service Intensive Treatment Foster Care (ITFC). The State shall obtain approval from CMS prior to executing any contracts with an MSHA vendor or other provider to provide ITFC.
6. The Nebraska Medicaid Managed Care Program shall establish and maintain, for the life of the waiver renewal, a contract with an EQRO.

I wish you continued success in the operation of this program for Medicaid beneficiaries in Nebraska. If you have any questions regarding this waiver renewal or the Balanced Budget Act of 1997, please contact Diana Townsend or Brenda Jackson in the Kansas City Regional Office at (816) 426-5925.

Sincerely,

/s/

Thomas W. Lenz
Associate Regional Administrator
Division of Medicaid and Children's Health

cc: David Cygan
Bob Seiffert
bcc: Mary Stuart
Diana Townsend
Mandy Hanks
Mary Pat Farkas
Terry Pratt
Beth Loyd

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